

**SAUERKRAUT-WILLOW CREEKS CONSERVATION EASEMENT
FACT SHEET
JANUARY 2008**

Montana Fish, Wildlife & Parks (FWP) proposes to fund conservation easements on approximately 7,869 acres of contiguous properties currently owned by the Sunny Slope Grazing Association, Susan and Gerald Biresch, and The Nature Conservancy (TNC), in Lewis and Clark County. FWP would provide the funding needed to purchase the proposed conservation easement with a grant of approximately \$5.356 million from the federal Habitat Conservation Plan (HCP) Land Acquisition program. No FWP or other state funds would be involved in the purchase. Five Valleys Land Trust would hold and monitor the conservation easements on behalf of FWP and the U.S. Fish and Wildlife Service.

The proposed Sauerkraut-Willow Creeks Conservation Easement is located approximately 75 miles east of Missoula, Montana within the Blackfoot watershed (Figure 1). The properties include approximately 7,869-acres and encompass Willow Creek and Sauerkraut Creek drainages, which flow into the Blackfoot River several miles west of Lincoln, MT. Approximately 29.5 miles of streams cross the project area, including intermittent and dry channels, as well as several ditches. Of the total miles of stream, 14.1 miles may be active channels with fish habitat. Willow Creek is on the eastern portion of the property, and Sauerkraut Creek is on the western portion of the property. Both Willow and Sauerkraut Creeks are fed by numerous tributaries, of perennial, intermittent, or ephemeral flow regimes. Riparian corridors are relatively narrow along most of the streams on the parcel, due to past and current land and water management, and due to landscape influences on higher elevation stream segments, which are characterized by steep side slopes and forested canopy.

The Nature Conservancy (TNC) worked in close partnership with the Blackfoot Challenge, a nationally recognized consortium of federal and state agencies (including FWP), ranchers, timber companies, other private landowners including the Biresch landowners within the subject property, and non-governmental organizations that shares information, solves resource issues, and conducts on-the-ground protection and restoration efforts. Together, the Blackfoot Challenge and TNC developed the Blackfoot Community Project to protect the natural and community values of 88,000 acres of biologically important lands into the future — in October 2003, TNC signed a formal agreement to purchase this acreage from PCTC. TNC does not intend to own any of this land over the long term and has transferred or intends to transfer 88,000 acres (68,000 acres purchased to date and 20,000 acres optioned for purchase in December 2007) of former PCTC lands to public and private ownership via a community-developed disposition plan developed under the Blackfoot Community Project. About 66 percent of project lands are anticipated to go into public ownership, while the remainder would be sold privately with conservation easements in place.

OWNER: < Sunny Slope Grazing Association, Susan and Gerald Biresch, and The Nature Conservancy (TNC),

**PROPERTY RIGHT
TO BE ACQUIRED:** < Conservation Easement

PROPERTY DATA: < Property located in Lewis & Clark County, Montana

< T13N, R9W and T14N, R9W

COST:

< approximately \$5.356
Will be based on appraised value
TNC will donate a portion of the value of its land.

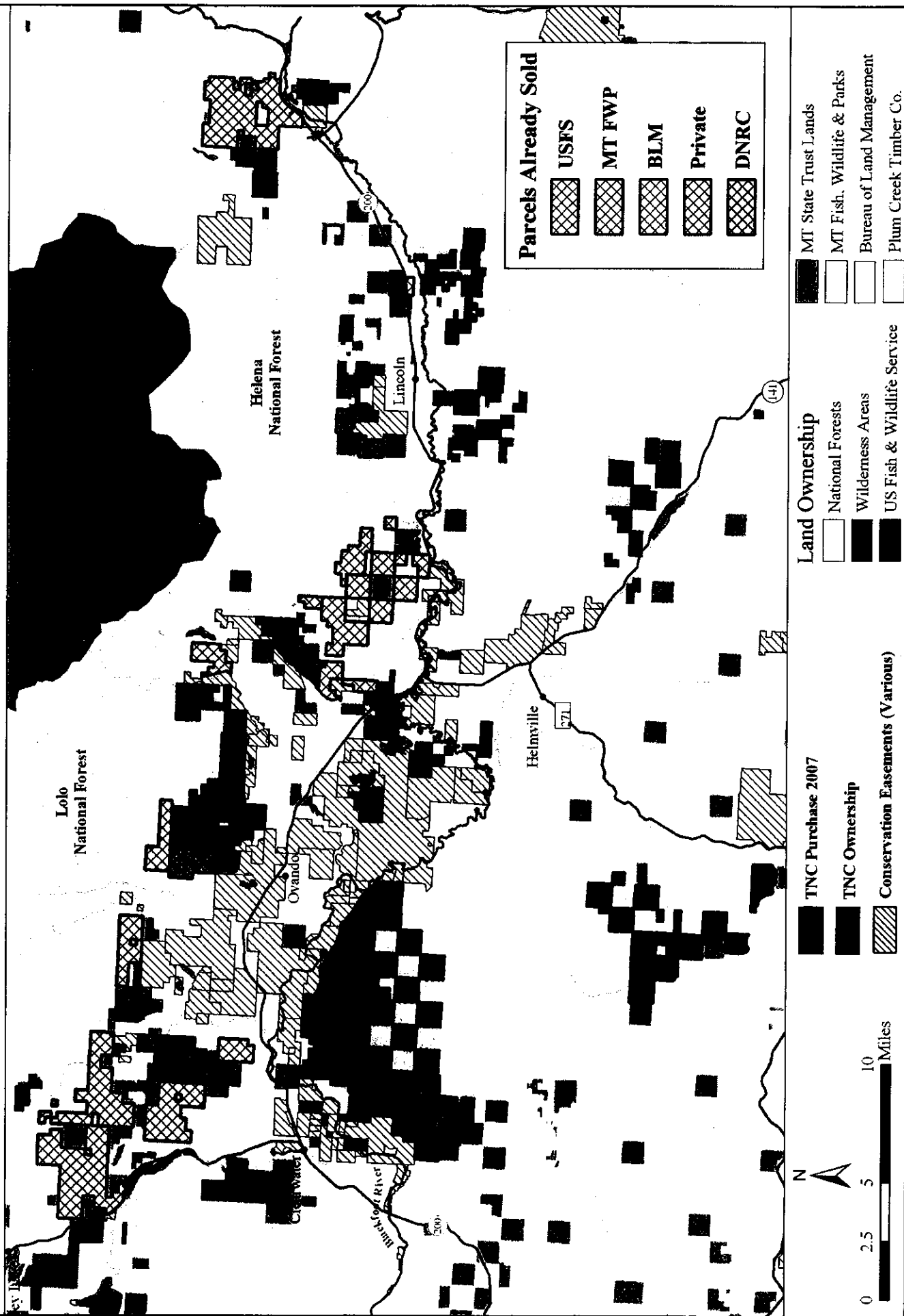
FUNDING

< Habitat Conservation Plan and Donation

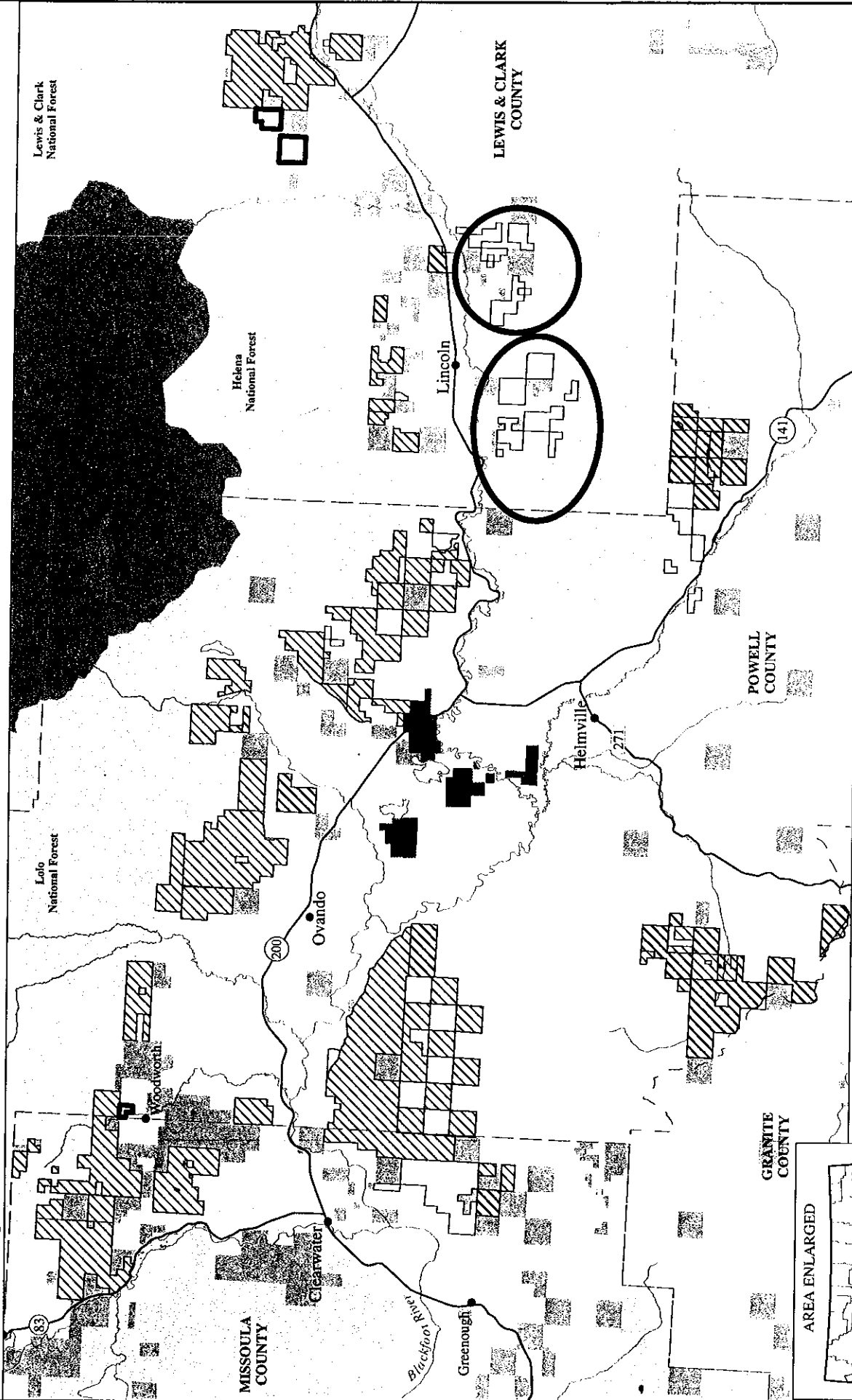
PROCESS:

< Draft Environmental Assessment distributed; End
of 30-day Public Comment Period 12/18/07;
Public Hearing in Lincoln, MT 12/3/ 07;
Decision Notice issued 01/10/08;
FWP Commission Approval – Pending.

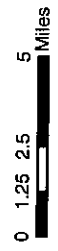
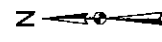
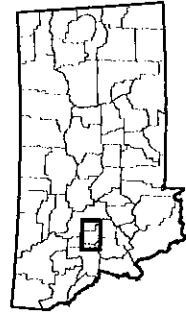
BLACKFOOT COMMUNITY PROJECT, MT



Blackfoot Community Project- Public Access Parcels



AREA ENLARGED



Map Created by A. Pearson
November 13, 2007

- | | | |
|-----------------------------|---------------------------|----------------------------|
| Blackfoot Community Project | MT State Trust Lands | National Forests |
| Permanent Public Access | MT Fish, Wildlife & Parks | Wilderness Areas |
| HCP CE Not Held By FWP | Bureau of Land Management | US Fish & Wildlife Service |

ENVIRONMENTAL ASSESSMENT
(November 18, 2007)

A PROPOSAL BY

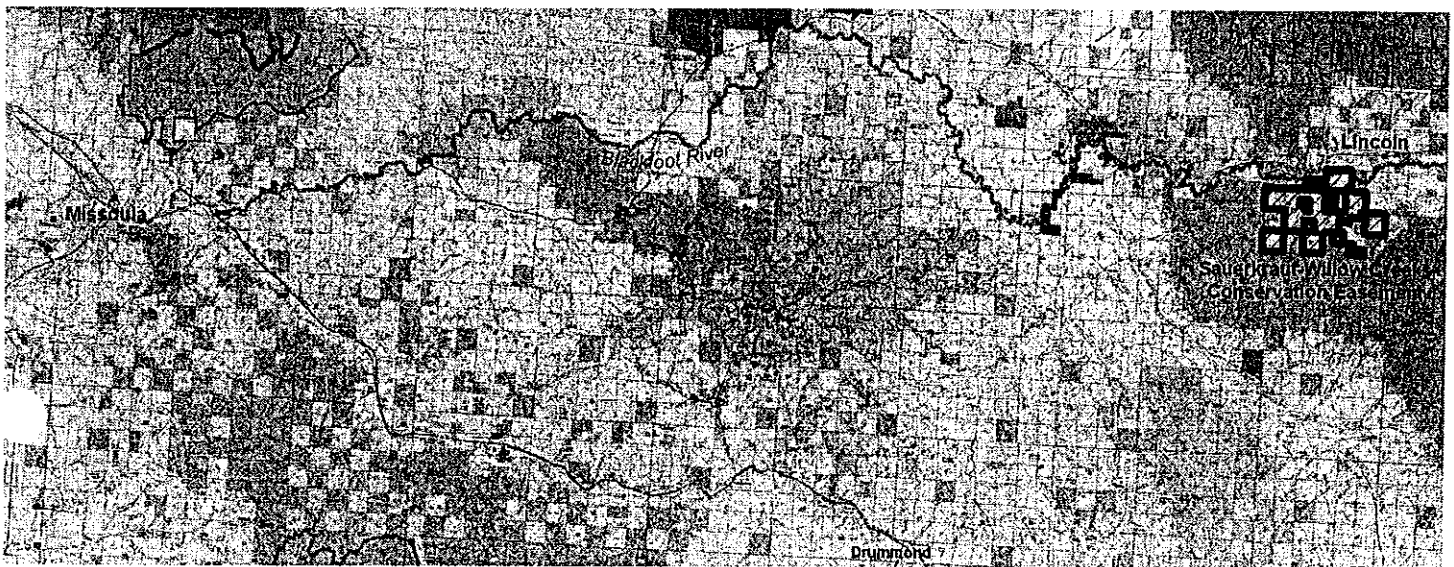
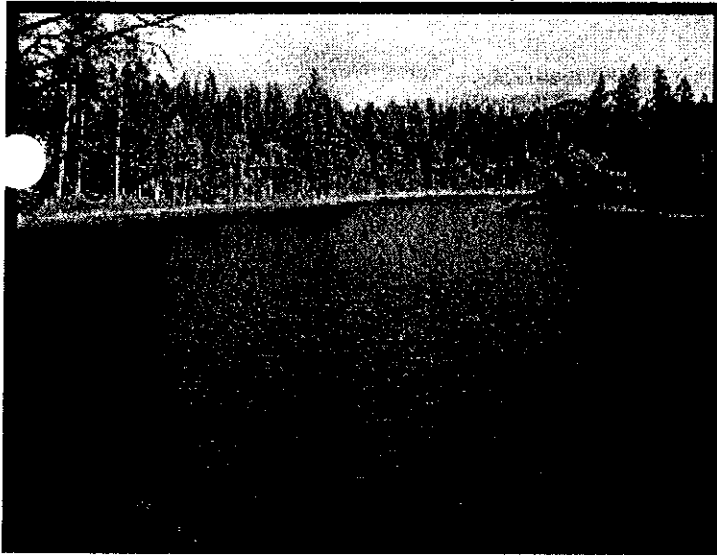
Montana Fish, Wildlife & Parks

TO PURCHASE AN INTEREST IN FISH AND WILDLIFE HABITAT
FROM THE SUNNY SLOPE GRAZING ASSOCIATION,
THE NATURE CONSERVANCY,
AND THE BIRESCH FAMILY,
TO BE KNOWN AS THE

SAUERKRAUT-WILLOW CREEKS

Conservation Easement

(LEWIS AND CLARK COUNTY)



Reply to: FWP, Attn: Ron Pierce (Fisheries Biologist), 3201 Spurgin Road, Missoula MT 59804

INTRODUCTION

Montana Fish, Wildlife & Parks (FWP) invites the public to comment on its proposal to fund conservation easements on approximately 7,869 acres of contiguous properties currently owned by the Sunny Slope Grazing Association, Susan and Gerald Biresch, and The Nature Conservancy (TNC), in Lewis and Clark County. FWP would provide the funding needed to purchase the proposed conservation easement with a grant of approximately \$5.356 million from the federal Habitat Conservation Plan (HCP) Land Acquisition program. No FWP or other state funds would be involved in the purchase. Five Valleys Land Trust would hold and monitor the conservation easements on behalf of FWP and the U.S. Fish and Wildlife Service.

The proposed project area, to be known as the Sauerkraut-Willow Creeks Conservation Easement, adjoins the Helena National Forest, with nearly 2 miles of frontage on the Blackfoot River. As a result of this project, TNC would transfer ownership of approximately 2,877 acres to the Sunny Slope Grazing Association. The Biresch inholding is approximately 216 acres in size. This proposal is an outcome of the Blackfoot Community Project (BCP) of the Blackfoot Challenge, as part of a local grassroots effort to secure the future of some 88,000 acres formerly owned by Plum Creek Real Estate Investment Trust. These 88,000 acres were recently purchased by TNC to enable the BCP.

The purpose of the federal funding grant is to enhance the recovery of westslope cutthroat trout (WSCT) and bull trout in concert with the existing Habitat Conservation Plan appurtenant to the lands formerly owned by Plum Creek REIT. In so doing, the proposed conservation easement would conserve fish and wildlife habitat by preventing subdivision, development, and other forms of habitat loss, facilitate habitat restoration activities, and perpetuate the ranching and logging lifestyle of the private landowners on the land under easement. The land under easement would remain in private ownership, and would remain on the county tax rolls. Traditional uses of the land would continue and generally would be unaffected by the easement. Restrictions on potential changes in land use, and other terms of the conservation easement would endure in perpetuity, and be enforceable upon future owners of the property.

PURPOSE AND NEED FOR THE PROPOSED ACTION

Authorities/Direction

FWP is authorized by State law (87-1-209, MCA) to purchase conservation easements for protecting wildlife habitat. The Montana Fish, Wildlife and Parks Commission (the Commission) is the decision-making authority for matters of acquiring conservation easements or other interests in land proposed by FWP. Following Commission approval of a proposed project, the Montana Board of Land Commissioners (the Land Board) must approve land acquisitions, disposals or exchanges involving FWP proposals over 100 acres or \$100,000 in value.

Five Valleys Land Trust is organized to preserve and conserve land for natural habitat, scenic, and open-space purposes for public benefit and is a qualified private organization that is authorized to hold conservation easements under Section 76-6-104(5), M.C.A., and Section 170(h)(3) of the Internal Revenue Code. The landowners wish to preserve and protect the conservation values of their properties by executing the conservation easement and by conveying to Five Valleys the right to preserve and protect those conservation values in perpetuity.

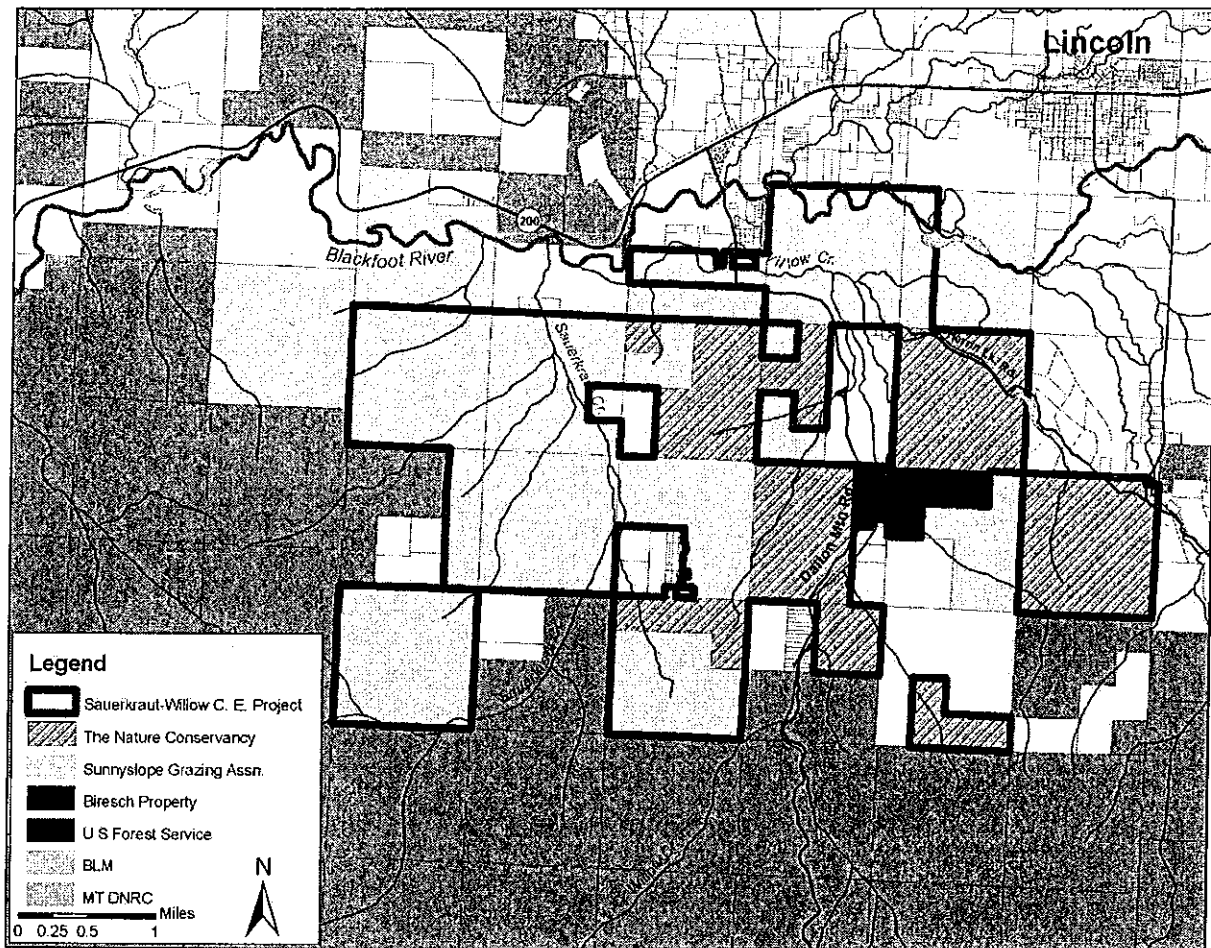
This conservation easement would be acquired using funds provided by the U.S. Department of Interior, Fish and Wildlife Service (USFWS), as a grant under its Endangered Species Act, Section 6 Habitat Conservation Plan Land Acquisition Program (the "HCP Grant"). FWP was the recipient of the HCP Grant and, consistent with USFWS procedures, FWP subsequently would provide the HCP Grant to Five Valleys for native fish conservation through a sub-grantee agreement between FWP and Five Valleys. USFWS regulations require that the property covered by this easement be managed in accordance with the terms and conditions of this easement in perpetuity, unless otherwise approved by the USFWS regional director. FWP is responsible to contract for Five Valleys to hold the conservation easement in accordance with the HCP Grant requirements. And FWP will retain third-party enforcement authority for this conservation easement to ensure that the purposes of the HCP Grant are met.

Area Description/Fish and Wildlife Resources

Location

The proposed Sauerkraut-Willow Creeks Conservation Easement is located approximately 75 miles east of Missoula, Montana within the Blackfoot watershed (Figure 1). The properties encompass the Willow Creek and Sauerkraut Creek drainages, which flow into the Blackfoot River several miles west of Lincoln, MT. The approximately 7,869-acre properties encompass all or part of sections in Township 13 North, Range 9 West, and all or part of sections in Township 14 North, Range 9 West. The project area can be reached from Missoula by traveling east on Interstate 90 approximately 7 miles, exiting onto Highway 200 at Bonner, Montana. Proceed east along the Blackfoot River on Highway 200 approximately 70 miles, then turn right on Dalton Mountain Road, which is an improved dirt road. Proceed south on this road for about 1 mile, crossing a bridge across the Blackfoot River, to intersect the north boundary of the proposed conservation easement.

Figure 1. Sauerkraut-Willow Creeks Conservation Easement project lands.



Land Use and Improvements

The Sunny Slope Grazing Assn. portion of the project area was once a part of a homestead tract that was farmed by the Cameron family between circa 1900 and 1966. The property has been actively managed for grazing and timber harvest since it was sold to the Sunny Slope Grazing Association in 1966. The caretaker's residence is just off of the proposed conservation easement parcel and no other residences or buildings occur within the SSGA parcel proposed for conservation easement. Other improvements include fences and 9 stock tanks, located throughout the property, and several irrigation ditches. Several unimproved two-track dirt roads provide vehicular access into and across a portion of the property, and many unmaintained logging roads crisscross the property. Four maintained dirt roads intersect the property: Dalton Mountain Road, Sauerkraut Road, Bear Gulch Road, and Herrin Lakes Road.

One above ground utility line is located on the property, cutting across the SW ¼ of Section 27 leading to the residence. It then continues south along the Dalton Mountain Road to the several private residences in the NE ¼ of Section 3. The utility line goes underground at this point and continues along Dalton Mountain Road to a residential subdivision in the NW ¼ of Section 10.

Lands currently owned by TNC within the proposed project area were managed by corporate timber companies for most of the twentieth century, most recently by Plum Creek REIT. Sunny Slope Grazing Association leased the TNC lands for grazing, and use of the TNC lands has generally paralleled that described above. There are currently no buildings on the 2,877 acres of TNC lands proposed for conservation easement within this proposal.

The Biresch property currently has one residence, one garage, and a shop on 216 acres just east of the Willow Creek floodplain within Section 2.

Landforms and Habitats

Elevations on the project area range from approximately 4,460 feet on the downstream side of the property to approximately 6,252 feet at the highest point on Section 7 (T14 North, R9 West). The land supports a diverse assemblage of cover types, including upland coniferous forests, subirrigated grassland, extensive willow-dominated wetlands and multiple riparian corridors along Willow Creek, Bear Creek, and Sauerkraut Creek.

Riparian Resources

Approximately 29.5 miles of streams cross the project area, including intermittent and dry channels, as well as several ditches. Of the total miles of stream, 14.1 miles may be active channels with fish habitat. Two main perennial streams flow through the property and feed into the Blackfoot River. Willow Creek is on the eastern portion of the property, and Sauerkraut Creek is on the western portion of the property. Both Willow and Sauerkraut Creeks are fed by numerous tributaries, of perennial, intermittent, or ephemeral flow regimes. Riparian corridors

are relatively narrow along most of the streams on the parcel, due to past and current land and water management, and due to landscape influences on higher elevation stream segments, which are characterized by steep side slopes and forested canopy. Perennial and intermittent seeps and small tributaries are common in these higher elevation stream reaches. Riparian zones are broader in meadow areas with active beaver influence and in some areas of sub-irrigated meadows.

Fisheries

FWP surveyed fish populations and habitat parameters in Sauerkraut Creek, Willow Creek, and Bear Gulch in Summer 2007. Densities of westslope cutthroat trout (WSCT) were higher in the upper reaches of all three streams where habitat conditions are at or near natural reference conditions.

FWP documented bull trout in Sauerkraut Creek. These fish, sampled in very low densities, are believed to be migratory fish from the Blackfoot River, using Sauerkraut Creek for rearing purposes. Limited bull trout rearing within the Garnet Mountains is consistently identified in small non-spawning streams where suitable native fish (cold and clean) habitats and biological connection to the Blackfoot River still persist. Recently, radio-telemetry studies identified spawning migrations of Blackfoot River WSCT in Sauerkraut Creek. These findings of migratory use indicate Sauerkraut Creek still provides for the life-history needs of migratory Blackfoot River native fish. WSCT are distributed throughout the length of Sauerkraut Creek although densities decreased significantly in a highly disturbed reach of stream immediately downstream of the Helena National Forest boundary. The lower-most western (unnamed) tributary to Sauerkraut Creek also supports WSCT.

The influences of riparian degradation to fish populations are more pronounced in Willow Creek than Sauerkraut Creek.. Bull trout were absent from the Willow Creek surveys, and WSCT densities decrease sharply upon entering more intensively managed pasturelands. FWP surveys identified a sharp declining trend in WSCT densities beginning at the upstream survey

site at mile 5.7. Between stream-mile 4.7 and 3.6, salmonid populations were absent, and this absence of all salmonids continues to the lower Willow Creek confluence area. Similar to Willow Creek, densities of WSCT in Bear Gulch decrease significantly in the downstream direction, and we found no WSCT upon entering primary pasturelands.

Riparian Wildlife

Riparian and wetland areas provide critical wildlife habitat, especially in the arid western United States. The riparian shrub communities along Willow Creek, Sauerkraut Creek, and the Blackfoot River provide hiding cover, foraging areas, and breeding sites for a variety of species. Moose and beaver favor Red-osier dogwood, which is common on the property. Beaver, muskrats, and other small wildlife associated with riparian areas attract predator species such as bobcat, mountain lion, lynx, black and grizzly bears, wolf, fox and coyote. Abundant shrubs produce berries in the late summer along riparian areas and are a critical food source for both black and grizzly bears. One female grizzly bear was collared in the area in June 2007, and has been observed, along with two subadults, by FWP in the Blackfoot River and Willow Creek drainages. Four other grizzlies have been located along the Blackfoot River corridor immediately west of the subject property. Other species that potentially occur in this area include amphibians, such as long-toed salamander, western toad, spotted frog, and rocky mountain tailed frog; reptiles, such as, rubber boa, eastern racer, and common and terrestrial garter snake; and mammals, such as mink, river otter, striped skunk and raccoon. The project area provides important habitat for elk, mule deer, white-tailed deer, and moose. Lands in the Willow Cr. drainage have been identified by FWP as crucial elk winter range.

A great variety of bird species also use the subject property's riparian and wetland areas as foraging and nesting habitat. In western Montana, riparian areas and wetlands are used by 59 percent of land bird species and many of those breed only in these valuable habitats. Cottonwood snags, which occur on the subject property, provide nesting cavities for a wide variety of birds such as woodpeckers, owls, and wood ducks. Additional species commonly associated with riparian areas in this region, and likely on the subject property, include cedar waxwing,

Swainson's thrush, western wood-pewee, willow flycatcher, American dipper, belted kingfisher, Steller's jay, American kestrel, American goldfinch, dark-eyed junco, downy woodpecker, hairy woodpecker, Lewis' Woodpecker, pine grosbeak, spotted towhee, rufous hummingbird, tree swallow, winter wren, house wren, Wilson's warbler, yellow warbler, American redstart, and song sparrow. Specifically, the Blackfoot River subbasin provides habitat for golden eagle, bald eagle, peregrine falcon and a large variety of songbirds. The only documented active bald eagle nest in the upper Blackfoot occurs on the subject property.

Species strongly associated with wetlands in this region, and likely on the subject property, include common mallard, Northern pintail, wood duck, common goldeneye, great blue heron, black-crowned night heron, lesser sandhill crane, American bittern, Wilson's phalarope, northern harrier, Cooper's hawk, marsh wren, song sparrow, yellow warbler, common yellowthroat, willow flycatcher, belted kingfisher, and violet green and tree swallow. The willow/sedge habitat type on the property is a critical source of nesting and roosting cover for yellow-headed and red-winged blackbirds.

Engelmann Spruce/ Red-Osier Dogwood Habitat Type

This habitat type occurs on higher elevation reaches on the subject property, and is dominated by Engelmann spruce, with occasional Douglas-fir, ponderosa pine, black cottonwood, or lodgepole pine. The potential state of this habitat type has a vigorous and diverse mid-story layer dominated by red-osier dogwood, alder and willow. Most reaches within this type are held at a grazing disclimax characterized by low cover of red-osier dogwood and higher cover of Bebb's willow and shallow-rooted forbs and pasture grasses. Beaked sedge is common along low stream banks.

Ponderosa Pine/Red-Osier Dogwood Habitat Type

This habitat type occurs on lower elevation forested riparian areas on foothill slopes of the subject property. Under natural conditions this type supports a diversity of native riparian

shrubs and forbs in the mid-story and understory. The reaches within this type are generally held at a grazing disclimax, with sparse midstory and an understory dominated by snowberry, woods rose, and pasture grasses. Beaked sedge is common along lower banks but is often mixed with grass species.

Geyer Willow/ Beaked Sedge Habitat Type

The lower elevation reaches occurring in beaver-formed habitats are characterized by a low-gradient channel and a broader valley type occupied by a willow-dominated wetland shrub community alternating with irrigated or sub-irrigated pasture grass communities on the subject property. This community is characterized by Geyer and Booth Willow and lesser amounts of Drummond willow, Bebb willow, black hawthorn, mountain alder, and currant species. In heavily grazed reaches this type is held at a grazing disclimax dominated by Bebb willow, with an understory dominated by shallow-rooted pasture grasses rather than the naturally diverse understory of native riparian forbs. Streambanks in open canopied areas are often lined with beaked sedge, except in cases of extreme disturbance, where pasture grasses, including Kentucky bluegrass, tufted hairgrass, and red top dominate unstable banks.

Rough fescue/ Idaho fescue Habitat Type

Grasslands are a minor component of the subject property's vegetative cover, located across two ridge top meadows in Section 35 (Herrin Pasture) and Section 1. The rough fescue/Idaho fescue habitat type is dominated by rough fescue with lesser amounts of Idaho fescue. Other species observed included sticky geranium, rosy pussy toes, sulfur buckwheat, sulky lupine, yarrow, yellow gromwell, and arrowleaf balsamroot.

Rough fescue/ Bluebunch wheatgrass Habitat Type

The rough fescue/ bluebunch wheatgrass habitat type is dominated by bluebunch wheatgrass, with lesser amounts of rough fescue. Other species in the community included Idaho fescue, owl

clover, yellow gromwell, vetch, one-spiked oatgrass, yarrow, slender cinquefoil, and sticky geranium.

0-15% Forest Cover (2,327 acres)

These sites on the subject property are heavily logged and have either no mature trees, or sparsely dispersed seed trees. These tend to have either very sparse regeneration, or thick regeneration of lodgepole pine, or subalpine fir. Ground cover is typically dominated by exotic forbs and pasture grasses including timothy, orchard grass, and smooth brome. Forbs include Canada thistle, musk thistle, bull thistle, and mullein, and invasive exotics such as cheatgrass, houndstongue, and some knapweed. Native species observed in these sites include Pine grass, dwarf huckleberry, birch-leaf spirea, serviceberry, and kinnikinnick.

15-50% Forest Cover (2,286 acres)

These sites are typically open park-like stands where many of the largest trees were harvested, and mature Douglas-fir and ponderosa pine are distributed across the site. Typically there are both seedlings and pole size trees in patches across the stand, but the area is largely characterized by grass-dominated meadow. Canopy is dominated typically by Douglas fir, with ponderosa pine found in warmer sites, and lodgepole pine found in cooler sites. Shrub cover is low, with occasional patches of snowberry. Ground cover is dominated by pasture grasses, with patches of Canada thistle, musk thistle, mullein, and invasive exotics such as cheatgrass, houndstongue, and some spotted knapweed. Spotted knapweed is found specifically on steeper, rocky slopes. The most extensive patches were observed in Sec 31, and along the Sauerkraut Ck Road.

50-100% Forest Cover –Logged (1,966 ac)

Several sites were sampled with a cover of 50-100 percent that have been selectively logged in the past 10 years. These sites are characterized as open or patchy stands of Douglas-fir, and lodgepole pine, and some lodgepole monocultures in the mature age class. Regeneration was sparse to moderate with seedlings of Douglas-fir and lodgepole pine, with subalpine fir

regeneration occurring at higher elevations. Common shrub species include black huckleberry, dwarf huckleberry, and grouseberry. Ground cover is dominated by beargrass, pinegrass, twinflower, and heart-leaved arnica.

Douglas Fir/ Twin Flower Habitat Type

The following sites sampled in unharvested portions of the subject property were classified by habitat type using Forest Habitat Types of Montana. Stands of the Douglas fir/ twin flower habitat type occur primarily on cooler north and/or east-aspect slopes on the subject property. These forests are typically characterized by a closed canopy and relatively dense stocking rate of lodgepole pine and Douglas-fir. Conifers range from seedling to mature size trees. Regeneration is primarily from Douglas-fir, though lodgepole pine regeneration is also common, especially in cooler sites. Ground cover is dominated by pine grass, heartleaf arnica, and twin flower. Shrub cover is typically low, characterized by dwarf huckleberry, kinnikinnick, and Oregon grape. Other shrubs observed in this habitat type include snowberry, buffalo berry, grouseberry, and serviceberry. Forbs observed include heartleaf arnica, birch-leaved spirea, meadow rue, and mountain sweet-cicely in cooler sites. Racemose pussytoes, showy aster, and rough fairy bells were common in warmer sites. Graminoids constitute moderate cover in this habitat type and are typified by pinegrass with lesser amounts elk sedge.

Douglas Fir/ Snowberry Habitat Type

This type occurs on warmer west to northwest slopes on the subject property. Portions of this habitat type were either clearcut or selectively cut within the past 10 years. These forests are typically characterized by a moderately open canopy and moderate stocking rates of lodgepole pine and Douglas fir, with Ponderosa pine occurring on dryer sites. Conifers range from seedling to mature size. Regeneration is primarily from Douglas fir, though lodgepole regeneration is present in cooler pockets, and ponderosa pine regeneration is present in warmer sites. Shrub cover is relatively irregular and characterized by snowberry, and serviceberry, and lesser amounts of woods rose, chokecherry and common juniper. Forbs observed include yarrow, birch-leaf

spirea, pearly everlasting, round-leaved alumroot, and showy aster. Graminoids constitute moderate cover in this habitat type and are typified by pinegrass and elk sedge, as well as abundant pasture grasses such as smooth brome, timothy, and orchard grass. Exotic species were common within this habitat type including Canada thistle, musk thistle, and spotted knapweed.

Douglas Fir/ Pinegrass Habitat Type

This type occurs on much of the relatively steep, south and southwest facing exposures on the subject property. These forests are typically characterized by a very open canopy of Douglas-fir, and ponderosa pine. Conifers range from seedling to mature size trees with a diameter at breast height (dbh) ranging between 2 and 20 inches and averaging approximately 10 inches. Regeneration rates are low and mostly limited to Douglas-fir, with ponderosa pine regeneration found in warmer sites. Areas on the property where this habitat type occurs have not received appreciable timber harvest activity in the past – most likely due to the low timber productivity of this habitat type. Shrub cover is relatively sparse and irregular and is characterized by small amounts of widely spaced serviceberry and Oregon grape. Forbs observed include birch-leaf spirea, racemose pussytoes, round-leaved alumroot, arrow leaved balsamroot, and yarrow. Graminoids constitute moderate to high percent cover in this habitat type. Because much of the area within this habitat was classified in the bluebunch wheatgrass phase, graminoids were typified by bluebunch wheatgrass, Idaho fescue, and elk sedge, with lesser amounts of pinegrass, thread-leaved sedge, and junegrass. Pasture grasses such as Timothy, Kentucky bluegrass, and orchard grass are also abundant.

Subalpine Fir/ False Azalea Habitat Type

This type occurs primarily on cooler north and/or east-aspect slopes on the subject property. Portions of this habitat type were either clearcut or selectively cut within the past 10 years. These forests are typically characterized by a closed canopy and relatively dense stocking rate of lodgepole pine and Douglas-fir. Conifers range from seedling to mature size trees.

Regeneration is primarily from Douglas-fir, though lodgepole pine regeneration is also common, especially in cooler sites. Ground cover is dominated by pine grass, heartleaf arnica, and twin flower. Shrub cover is typically low, characterized by birch-leaved spirea, with lesser amounts of kinnickinnick, and Oregon grape. Other shrubs observed in this habitat type include dwarf huckleberry, snowberry, buffalo berry, grouseberry, and serviceberry. Forbs observed include heartleaf arnica, meadowrue, and mountain sweet-cicely in wetter sites. Racemose pussytoes, showy aster, and rough fairy bells were common in drier sites. Graminoids constitute moderate cover in this habitat type and are typified by pinegrass with lesser amounts of elk sedge.

Subalpine Fir/ Beargrass Habitat Type

This type occurs primarily on cooler north and/or east-aspect slopes on the subject property. Portions of this habitat type were either clearcut or selectively cut within the past 10 years. These forests are typically characterized by a closed canopy and relatively dense stocking rate of lodgepole pine and Douglas-fir. Conifers range from seedling to mature size trees. Regeneration is primarily from Douglas-fir, though lodgepole pine regeneration is also common, especially in cooler sites. Ground cover is dominated by pine grass, heartleaf arnica, and twin flower. Shrub cover is typically low, characterized by birch-leaved spirea, with lesser amounts of kinnickinnick, and Oregon grape. Other shrubs observed in this habitat type include dwarf huckleberry, snowberry, buffalo berry, grouseberry, and serviceberry. Forbs observed include heartleaf arnica, meadowrue, and mountain sweet-cicely in wetter sites. Racemose pussytoes, showy aster, and rough fairy bells are common in drier sites. Graminoids constitute moderate cover in this habitat type and are typified by pinegrass with lesser amounts of elk sedge.

Upland Wildlife

The upland forest on the property is structurally diverse and provides a variety of microhabitats that can support a rich assemblage of wildlife species. Coniferous forest is used by numerous bird and mammal species, including ruffed grouse, barred owl, northern pygmy owl,

hairy woodpecker, Steller's jay, Nashville warbler, pine siskin, red crossbill, evening grosbeak, porcupine, red squirrel, pine marten, mountain lion, grizzly bear, black bear, red fox, coyote, lynx, elk, white-tailed deer, and mule deer. Decaying large woody debris provide habitat for amphibians, such as long-toed salamander, and reptiles, such as rubber boa, and western terrestrial garter snake. Some remnant medium to large snags provides nesting sites for cavity nesting birds. The Douglas-fir habitat types on the property serve as important forage and thermal cover for over wintering ungulates.

During recent visits to the property, staff of Five Valleys Land Trust observed a group of about 40 elk in the lower Willow Creek meadows on the northern end of the property, a bull moose on Section 33, and numerous white-tailed and mule deer. They also observed the following bird species: red-tailed hawk, sandhill crane, northern flicker, black-capped chickadee, common raven, dark-eyed junco, red-breasted nuthatch, ruby crowned kinglet, song sparrow. FWP has received reports from others who observed mountain lion, grizzly bear, black bear, gray wolf, fox, coyote, Canada lynx, bobcat, and wolverine on the property.

Project Need

The Blackfoot River flows through a 2,290-square-mile watershed for 133 miles, from the Continental Divide at Rogers Pass to its confluence with the Clark Fork River at Bonner, Montana. The watershed is located at the southern terminus of the Northern Continental Divide Ecosystem, providing crucial connectivity for many prominent wildlife species critical to this system. These include native bull trout, westslope cutthroat trout, and mountain whitefish; salmonid species that are the primary focus of funds provided by the HCP Land Acquisition Program. Also native to this system are grizzly bear, gray wolf, Canada lynx, trumpeter swan, bald eagle, and Columbian sharp-tailed grouse, species that would also benefit from this proposal.

Sixty percent of the Blackfoot Valley is in public ownership, while Plum Creek REIT

(PCTC) is the majority private landowner (20%). PCTC's 200,000+ acres in the Blackfoot drainage are intermingled with public lands in large blocks as well as in a checkerboard pattern. PCTC's Native Fish Habitat Conservation Plan (NFHCP) was originally conceived to protect bull trout and was later expanded to cover all native salmonids on PCTC holdings in the northern Rockies. Broad categories were defined for focusing conservation in the NFHCP. These include "Tier 1" watersheds, defined as streams important for bull trout spawning and juvenile rearing. This designation recognized that the early phase of the bull trout life cycle is particularly sensitive and has the most specific habitat requirements. A second designation of "Key Migratory Rivers" distinguishes important habitat for all species covered by the NFHCP. These are larger rivers used for migration to lower-order streams for spawning and rearing and for overwintering, foraging, and pre-spawn staging. The Blackfoot River is a major Key Migratory River, and all of the parcels targeted for use of HCP Land Acquisition funding (including the subject property), fall in and connect the Tier 1 and Key Migratory River categories.

PCTC's lands in the Blackfoot are comprised of critical mid- and low-elevation forested habitats, lying between the upper elevation public lands and the privately owned valley bottom. PCTC recently completed a review of its 1.3 million acres in western Montana and identified large blocks in the Blackfoot Valley for potential sale and conversion to non-forest uses. PCTC's sales program would first entail the harvest of standing timber, then subdivision of those cutover lands into smaller residential lots. If these lands were subdivided and developed, critical fish and wildlife habitats and migration linkage zones would be degraded and fragmented, quickly unraveling the biological integrity and connectivity of the landscape.

PCTC's sales program also creates the potential for numerous land management conflicts that could result in widely divergent, uncoordinated, and inconsistent management with significant cumulative impacts to the valley's outstanding natural resource values, including native bull and westslope cutthroat trout, and mountain whitefish covered under the NFHCP. Poor timber harvest practices, dispersed residential development and septic systems, new road construction, culverts and stream crossings would likely diminish riparian and coniferous

vegetation and increase surface disturbance, resulting in elevated water temperatures, sedimentation, and runoff. It is likely that numerous ongoing (and future) native trout restoration activities in the Blackfoot drainage would be significantly hampered by the conversion of large blocks of PCTC lands into multiple smaller private properties. Human/wildlife conflicts involving controversial species such as grizzly bears, gray wolves, black bears, and mountain lions would likely increase. Fire protection (structural and wildland), weed control, access, and vandalism would be issues disruptive to sustainable forest management on public lands. Traditional uses of these lands, including grazing and timber management, would decline. In short, the sale and development of PCTC's lands would represent a significant defeat for local communities and a variety of interest groups that have worked for more than 30 years to protect the traditional uses and the natural, scenic, and recreational resources of the Blackfoot River Valley.

Recognizing the need to act quickly and strategically on a large scale, The Nature Conservancy (TNC) worked in close partnership with the Blackfoot Challenge, a nationally recognized consortium of federal and state agencies (including FWP), ranchers, timber companies, other private landowners including the Biresch landowners within the subject property, and non-governmental organizations that shares information, solves resource issues, and conducts on-the-ground protection and restoration efforts. Together, the Blackfoot Challenge and TNC developed the Blackfoot Community Project to protect the natural and community values of 88,000 acres of biologically important lands into the future — in October 2003, TNC signed a formal agreement to purchase this acreage from PCTC. TNC does not intend to own any of this land over the long term and has transferred or intends to transfer 88,000 acres (68,000 acres purchased to date and 20,000 acres optioned for purchase in December 2007) of former PCTC lands to public and private ownership via a community-developed disposition plan developed under the Blackfoot Community Project. About 66 percent of project lands are anticipated to go into public ownership, while the remainder would be sold privately with conservation easements in place.

The partners intend to use the following approach to accomplish the conservation easement acquisitions funded by the HCP Land Acquisition Program for this subject property and others in the program: Land trusts or FWP would acquire conservation easements from both TNC (over former PCTC lands identified in this proposal) and from adjacent private landowners. Proceeds received by private parties for the conservation easements on their lands will provide capital for them to, in turn, purchase the former PCTC lands (with conservation easements in place) from TNC. This strategy not only leverages about 12,000 acres of additional stream protection alongside the 88,000-acre Blackfoot Community Project, but also helps assure the financing of the Blackfoot Community Project.

The objective of the HCP Land Acquisition project in the Blackfoot Watershed is to protect and consolidate ownership of critical native fish and wildlife habitat by acquiring conservation easements on up to 34,000 acres in perpetuity. The proposed Sauerkraut-Willow Creeks Conservation Easement represents the first 7,869 acres of this larger project.

Habitat isolation, fragmentation, and alterations are major threats to native salmonids. Conservation easements associated with the full HCP Land Acquisition Project in the Blackfoot Watershed could protect up to 41.67 miles of fish-bearing water on 22 streams, including 3.84 miles of the main stem Blackfoot River. At least 18 of the streams contain genetically pure westslope cutthroat trout, while seven of the nine streams that support bull trout also provide critical spawning areas. Mountain whitefish occur throughout the system.

The larger and more interconnected the habitat, the higher the probability that a population will survive a catastrophic event and be able to re-colonize from other source populations. Development and its related disturbance, such as sedimentation from road-building and streamside disturbance, vary by location, but can be severe, both locally and watershed-wide. Human population is growing rapidly throughout western Montana. The Blackfoot Valley is no exception, especially around the towns of Lincoln and Seeley Lake; conservation easements can help mitigate the impact of this and future development.

The proposed conservation easement will help protect cold, clean, complex, and connected native salmonid habitat critical to bull trout, westslope cutthroat trout, and mountain whitefish in the Blackfoot as well as the larger Upper Clark Fork River system, consistent with the biological goals of the NFHCP. The proposed conservation easement will consolidate ownership and maintain critical habitats in perpetuity for native fish and wildlife species, while also allowing for consistent resource management activities. The proposed conservation easement complements other ongoing conservation activities within the Watershed, and would prevent land disturbance that could degrade, fragment, or eliminate current fish and wildlife habitat.

Using HCP Land Acquisition funds to purchase conservation easements would build on a currently active stream restoration program, resulting in sustained critical bull and westslope cutthroat trout spawning and rearing areas, and prime habitat for mountain whitefish. In addition to native fish communities this project would contribute to the continued occupancy of grizzly bears, gray wolves, and Canada lynx. This project enhances the connectivity with and the biological effectiveness of the nearby Bob Marshall and Scapegoat Wilderness Areas by providing low-elevation spring and winter ranges for elk, mule deer, moose, and other species.

The Blackfoot River is free-flowing from its headwaters at the Continental Divide near Rogers Pass to its confluence with the Clark Fork River and is one of the most scenic and biologically complex river systems in western Montana. Native fish of the Blackfoot River all exhibit: 1) migratory life-histories that involve specific and locally adapted behavior and usually spawn in discrete areas; 2) tributary use at early life-stages; and 3) extensive migrations and seasonal use of larger, and more productive, river habitats. These native salmonids also require more complex habitats, colder water, lower sediment, and more tributary access than currently exists in many areas of the Blackfoot watershed.

Native fish of the Blackfoot River have evolved with the natural complexity and limitations of the watershed. However, native fish densities are now far below habitat capacity due to many human-related disruptions of habitat and life-history processes within the basin, most of which involve the alteration of tributaries. Despite the challenges, native fish and a diversity of their life histories remain viable throughout the watershed at this time. Major projects to conserve and recover native fish populations in many areas of the basin have been completed in recent decades, including extensive riparian restoration and protection of existing high-quality tributary habitats via conservation easements. By way of example, 45 local stream restoration projects have been conducted by the Big Blackfoot Chapter of Trout Unlimited and local landowners, with the cooperation and funding of MFWP and the USFWS Partners for Fish and Wildlife Program. These investments are slated to continue and will amplify the benefits of this proposed land protection project.

The Blackfoot River watershed is considered critical to the recovery of bull trout and the conservation of westslope cutthroat trout, both imperiled native species. The river system supports fluvial life-history forms of these native species. Fluvial bull trout exhibit wide-ranging migratory behavior that includes the main stem Blackfoot River and spawning in discrete sites of only a few of the larger, colder tributaries. Fluvial westslope cutthroat trout also inhabit the upper Blackfoot River watershed and use extensive areas of the watershed ranging from the main stem Blackfoot River to natal headwaters areas high in the tributaries. The westslope cutthroat trout of the upper Blackfoot watershed exhibit a very high level of genetic purity. Most tributaries in the upper Blackfoot watershed contain populations of genetically pure stream-resident as well as fluvial westslope cutthroat trout.

Mountain whitefish are also a critical species within the native fish community of the Blackfoot River and the lower reaches of larger tributaries. They play a critical role in the ecosystem and serve as a very important forage fish for larger trout, such as bull trout. By protecting and improving habitat conditions for westslope cutthroat trout and bull trout, HCP funding will help conserve habitats for mountain whitefish and help maintain ecological food

web relationships, as called for under the subject NFHCP.

Recovery goals and objectives identified in the USFWS Draft Bull Trout Recovery Plan include maintaining current fish distribution, maintaining stable or increasing trends, restoring and maintaining suitable habitat, conserving genetic diversity, and providing connectivity for genetic exchange. This proposal would contribute to all of these recovery goals. The Draft Recovery Plan also encourages using all available conservation programs, supporting watershed group restoration efforts, integrating watershed restoration efforts on public and private lands, and using existing federal authorities. This proposal will address and incorporate all of these options.

Critical habitat for the bull trout was designated in September 2005, including both private and public lands. However, those covered by the NFHCP were excluded based on the protections afforded by the NFHCP. Conservation easements placed on these lands with HCP Land Acquisition funds would ensure continued protection consistent with the Draft Recovery Plan that would otherwise be lost.

Westslope cutthroat trout, a species of special concern in Montana and petitioned for listing under the ESA, have declined over much of their historic range within the last century. Reasons for this decline include habitat loss and degradation, genetic introgression with introduced rainbow trout and Yellowstone cutthroat trout, over-harvest, and competition with introduced brook trout and brown trout. In the Blackfoot watershed, westslope cutthroats occupy about 93% of their historical range. The Blackfoot River also supports one of the larger fluvial meta-populations of genetically unaltered westslope cutthroat in Montana, but at population abundance well below habitat carrying capacity.

The Blackfoot River watershed supports a nearly basin-wide distribution of westslope cutthroat trout. Westslope cutthroat stocks include migratory (*fluvial*, *adfluvial*) and non-migratory (*resident*) fish. Both rely on high quality tributary habitats for spawning, rearing, and

over-wintering and often inhabit the same stream. Resident fish can also maintain populations in isolation whereas access to the Blackfoot River is necessary for fluvial fish. Fluvial westslope cutthroats spend early life stages in small streams, and then migrate to rivers where they mature and grow much larger than resident fish before returning to natal tributaries to spawn. Unlike fluvial fish, adfluvial westslope cutthroat trout migrate to lakes to mature before they return to their natal tributaries to spawn.

In the rest of Montana, only 8-20% of the WSCT's historical range is occupied by genetically unaltered fish. In contrast, westslope cutthroats in the Blackfoot watershed show a high degree of genetic purity over large areas of the watershed. FWP identified seven tributaries in the upper Blackfoot watershed supporting fluvial westslope cutthroat spawning, all of which have tested as genetically unaltered. Westslope cutthroat migration corridors, spawning, and rearing areas were located primarily on private lands at the lower tributary elevations, but often extend to mid-to-upper stream reaches located on public lands.

Recovery of westslope cutthroat trout began in 1990 with the adoption of catch-and-release angling regulations and expanded with habitat restoration. In conjunction with fluvial bull trout recovery, the focus of westslope cutthroat recovery is re-establishing the fluvial life-history form by: 1) reducing or eliminating controllable sources of anthropogenic mortality; 2) maintaining and restoring existing spawning and rearing habitats; 3) restoring damaged habitats; and 4) improving connectivity from the Blackfoot River to tributary spawning areas. Most of the current westslope cutthroat work occurs in core area watersheds or other streams containing bull trout. To date, restoration projects in westslope cutthroat habitat have involved 40 streams, focusing on improving habitat conditions. In response to these actions, densities of westslope cutthroat trout have increased from 10 per mile in 1990 to 100 per mile in 2006 in a section of the middle Blackfoot River influenced by restoration actions.

Both adult and juvenile mountain whitefish are found throughout the lower reaches of the medium-sized streams of the upper Blackfoot watershed. Like other species in the salmonid

family, mountain whitefish require clear, cold streams where schools feed in riffles. The species is one of our most important native species from an ecological perspective due to its high forage value for aquatic and terrestrial predators. HCP-acquired properties are expected to help protect habitat and allow future opportunities for habitat restoration to benefit mountain whitefish.

This opportunity to acquire conservation easements on the Sunny Slope Grazing Assn., TNC, and Biresch properties represents a hard-earned and timely coincidence of interests, priorities and funding among the private landowners, FWP, and other project partners to perpetuate a traditional agricultural lifestyle and important fish and wildlife habitat in perpetuity. This project would implement the land conservation strategy of the *Blackfoot Challenge*—and FWP as a partner—for the Southwest Lincoln Area of the Blackfoot Community Project. Failure to act on this opportunity could make a conservation easement much more difficult to accomplish in the future as property values continue to rise and as the land passes to succeeding owners who may have different interests. The proposed Sauerkraut-Willow Creeks Conservation Easement is already bordered by the sprawl of subdivision in the Lincoln Valley. The potential for working successfully and collaboratively on stream restoration projects with only a few conservation-minded owners of long stream reaches would be lost as properties are sold and subdivided among many new owners in the future.

DESCRIPTION OF THE PROPOSED ACTION

Montana Fish, Wildlife & Parks (FWP) proposes to fund through an HCP grant a conservation easement on approximately 7,869 acres of contiguous properties currently owned by the Sunny Slope Grazing Association, Susan and Gerald Biresch, and The Nature Conservancy (TNC), in Lewis and Clark County. FWP would provide the funding needed to purchase the proposed conservation easement with a grant of approximately \$5.356 million from the federal Habitat Conservation Plan (HCP) Land Acquisition program. No FWP or other state funds would be involved in the purchase. Five Valleys Land Trust would hold and monitor the conservation easement on behalf of FWP and the U.S. Fish and Wildlife Service.

This conservation easement would be acquired using funds provided by the U.S. Department of Interior, Fish and Wildlife Service (USFWS), as a grant under its Endangered Species Act, Section 6 Habitat Conservation Plan Land Acquisition Program (the "HCP Grant"). FWP was the recipient of the HCP Grant and, consistent with USFWS procedures, FWP subsequently would provide the HCP Grant to Five Valleys for native fish conservation through a sub-grantee agreement. USFWS regulations require that the property covered by this easement be managed in accordance with the terms and conditions of this easement in perpetuity, unless otherwise approved by the USFWS regional director. FWP is responsible to contract with Five Valleys to hold the conservation easement in accordance with HCP grant requirements. FWP will also retain third-party enforcement authority for this conservation easement to ensure that the purposes of the HCP Grant are carried out.

The purpose of the HCP Grant is to enhance the recovery of westslope cutthroat trout and bull trout in concert with the existing Habitat Conservation Plan appurtenant to the lands formerly owned by Plum Creek REIT. In so doing, the proposed conservation easement would conserve fish and wildlife habitat by preventing subdivision, development, and other forms of habitat loss, and perpetuate the ranching and logging lifestyle of the private landowners on the land under easement. The land under easement would remain in private ownership, and would remain on the county tax rolls. Traditional uses of the land would continue and generally would be unaffected by the easement. Restrictions on potential changes in land use, and other terms of the conservation easement would endure in perpetuity, and be enforceable upon future owners of the property.

The purpose of the proposed conservation easement is to preserve, protect, enhance, and allow for the restoration of the conservation values, including but not limited to open space, scenic, and significant natural features and resources, of the property in perpetuity. Further, the specific purpose of this proposed easement is to conserve important habitat for native fish and wildlife, in particular bull trout and westslope cutthroat trout. In achieving these purposes, it is the intent of the landowners, FWP, and Five Valleys Land Trust to permit the continuation of such

uses of the property as may be conducted consistent with the purposes and terms of the easement.

Livestock grazing would be allowed, provided that the range conditions, stream banks, riparian vegetation, and other habitats protected by the proposed easement are maintained in a condition that will allow the natural development and maintenance of habitat required by bull and westslope cutthroat trout. In the event that Five Valleys Land Trust (as the easement holder), in consultation with FWP, determines that range conditions, stream banks, riparian vegetation, and other habitats protected by the proposed easement have not been maintained in a condition that will allow the natural development and maintenance of habitat required by bull and westslope cutthroat and that livestock grazing is responsible for this condition, Five Valleys would so inform the landowner. In response, the landowner would be required to develop and/or modify a Grazing and Riparian Management Plan for review and approval by Five Valleys, in consultation with FWP, and the landowner would then implement the approved plan.

The Sunny Slope Grazing Association is retaining the rights for two residences and associated structures within two separate 10-acre Residential Building Envelopes, both of which would be located on lands they currently own. The Residential Building Envelopes must be located outside of the Riparian Habitat Buffer Areas, which will encompass the riparian vegetation along the perennial watercourses and provide for ample setbacks from these watercourses and will be mapped in an Exhibit of the easement document. The landowner would reserve the right to construct an improved road to provide access to the residential building envelopes. If any or all of such structures are removed or destroyed, the landowner would be permitted to replace them with similar structures of the same approximate size in the same general locations.

Currently, one residence and garage and shop are located on the Biresch property. A Residential Building Envelope will be designated so as to encompass the area currently occupied by these buildings. If any or all of such structures are removed or destroyed, the landowner would be permitted to replace them with similar structures of the same approximate size in the same

location. The Biresch's will also retain the right for an additional residence, also located within this Residential Building Envelope. The entire 216-acre Biersch property will remain in one ownership. Conservation Easement terms for the Biresch property regarding commercial development; and riparian, grazing, and timber management; and FWP third party enforcement authority will be similar to those described herein regarding the larger Sauerkraut-Willow Conservation Easement Project.

Aquatic habitat restoration activities within the floodplain area would be allowed with the prior approval of Five Valleys. Five Valleys would consult with FWP when evaluating any proposed aquatic habitat restoration proposal and prior to issuing any approval. These may include the reconstruction of channels and wetlands, and the restoration and protection of riparian areas and floodplains necessary to improve and maintain aquatic habitat conditions and to improve and conserve native fish populations. Depending on the specific stream reach, these measures may include, but are not limited to, the planting of native woody species, fencing, stream channel and bank reconstruction, instream habitat structures, and grazing management necessary for the long-term maintenance of native fish habitat.

All timber management activities would be required to: (1) conform to state and federal forestry laws, regulations, practices, and guidelines as they may apply to the specific timber harvest activities proposed by the landowner; (2) minimize soil disturbance, vegetation damage, and impacts on the integrity of the watershed, water quality, wildlife habitat, and the natural scenic and aesthetic qualities of the property; and (3) be consistent with the protection of the conservation values of the proposed easement. Live or dead trees would not be harvested from the riparian zone, as delineated in the Baseline Documentation Report, unless such harvest is necessary to control forest disease or to protect persons or property from falling trees or other hazards. On other timbered areas of the Property, timber harvest would be permitted for uses on the property including firewood, fencing, and construction materials for the buildings and structures approved in the easement; for controlling forest disease; for the protection of persons and property; for controlling encroachment of timber into native grassland areas; and for enhancing native wildlife

habitat. Prior approval by Five Valleys would be required for all other timber harvest. The landowner would be required to submit a written Timber Harvest Plan for review by Five Valleys, which would include timber inventory data, purpose of the harvest, anticipated future stand condition, and other relevant information necessary to an evaluation of the proposed harvest.

Storage, dumping or other disposal of toxic and/or hazardous materials would be prohibited, as would the dumping or other disposal of garbage, tires, inoperable machinery, or other refuse. The easement would prohibit the filling, excavating, dredging, mining, drilling, and the exploration for or extraction of minerals, hydrocarbons, soils, sand, gravel, rock, or other materials on or below the surface of the property, except as specifically permitted.

Establishment or maintenance of any commercial or industrial activity, including but not limited to game farms, motels or hotels, trailer or recreational vehicle parks, would be prohibited. Prohibited commercial and industrial uses would not include ranching, agriculture, and timber harvest, all as specifically provided for in the easement. The landowner would be allowed to pursue business activities within the Residential Building Envelope on the Property, as long as the operation of the business does not adversely impact the conservation values protected by the proposed easement.

The intentional introduction of any non-native plant or animal species would be prohibited, except where such introduction is associated with permitted agricultural uses of the property or is intended as a biological control against non-native pest species or used for erosion control, restoration or other habitat improvements. For such purposes, the landowner would not be allowed to use non-native species that will compete with and result in the decline or elimination of native species on the property.

Farming, plowing, discing, chiseling, interseeding, or any type of cultivation of native rangeland or forestland would be prohibited, as would the establishment or maintenance of a commercial feed lot. The easement would not prevent the landowner from seasonally confining his

or her livestock into an area for feeding.

The proposed conservation easement would prohibit the partition, division, subdivision, or de facto subdivision of the property. The sale, exchange, devise or gift ("Transfer") of a portion of the Property for boundary adjustment, agricultural, or timber management purposes would be allowed, provided that no more than 3 parcels may be created from the property covered by the easement, and provided further that any such Transfer(s) must be effected with an express provision reflecting that said land is subject to the terms and conditions of the easement. In the event of any such Transfer(s), no additional structures would be allowed upon any portion of the property beyond those structures already authorized, and all other terms of this Easement would continue to apply.

The easement would prohibit rip-rapping and any other manipulation, diversion, or other alteration of natural water courses, wetlands, shorelines, or other bodies of water; any activity which may destabilize the banks of any course or body of water; and any uses or activities which would pollute, degrade, or drain the property's surface or sub-surface waters. Transferring, encumbering, leasing, selling, or otherwise separating any water rights from the property generally would be prohibited. The landowner would be required to use his or her best efforts to comply with all laws and regulations that ensure the retention of any and all water rights, now or in the future, pertaining to the property.

Although the proposed conservation easement leaves public access at the discretion of the landowners, the Sunny Slope Grazing Association has been a cooperator in FWP's Block Management Program since 1989. The Sunny Slope owners have indicated a willingness and intent to remain in the Block Management Program in the future. In 2006, they were contracted for 300 hunter-days.

ALTERNATIVES TO THE PROPOSED ACTION

Alternative A—No Action

FWP considered the alternative of taking no action. This would leave a full range of future management options for the subject lands, including development options, in the hands of current and future owners of the property. FWP would retain the option to comment on proposed land subdivisions and developments on the subject lands under existing laws and policies in Lewis and Clark County; however, the effects of FWP's input on any future proposed subdivision are uncertain. Land-use practices affecting native fish on the properties would remain largely under the control of current and future private landowners.

Alternatives Considered but Dropped from Further Consideration

Because the proposed conservation easement represents the full extent of agreement between FWP, Five Valleys Land Trust, and the private landowners, "no-action" is the only reasonable alternative to the proposed action. The project properties are not for sale, so fee-title purchase of the properties by FWP is not an option. FWP's preferred method for securing fish and wildlife habitat is by perpetual conservation easement whenever appropriate because it leaves the land in private ownership and allows FWP to stretch limited available dollars.

IMPACTS

Solid/Hazardous Wastes

The proposed action would prohibit the dumping of solid and hazardous wastes on the easement area. Although the extent to which solid waste dumping has historically occurred on the subject property, Alternative A would allow future dumping without restrictions that would apply under the proposed easement.

Water Rights

The proposed easement would require the landowner to use his or her best efforts to

maintain all water rights on the properties. Alternative A would not require this.

Wild and Scenic Rivers

The Blackfoot River is not federally designated as a wild and scenic river, therefore this project would have no impact on a designated Wild and Scenic River.

Floodplains

There are no designated floodplains nor prime or unique farmlands in the project area, therefore no there would be no impact to these resources.

Fish and Wildlife Populations and Use Currently Associated with the Property

Threatened and Endangered Species

Both MFIS (2007) and the Montana Natural Heritage Program (2007) report westslope cutthroat and bull trout occurring in Sauerkraut and Willow Creeks on the subject property. Westslope cutthroat trout are listed as a sensitive species by the U.S. Forest Service and the U.S. Bureau of Land Management, and bull trout are listed as threatened by the Forest Service and as a Special Status species by the Bureau of Land Management (MNHP 2007). Additionally, bull trout are listed as Threatened under the Endangered Species Act by the U.S. Fish and Wildlife Service. Important factors contributing to the decline of bull trout include habitat destruction, degradation, and fragmentation, and hybridization with brook trout. Similar factors, especially hybridization with exotic species of trout, threaten populations of westslope cutthroat trout. Samples from Sauerkraut and Willow Creeks on the property found the westslope cutthroat trout to be genetically pure (MFIS 1999). The proposed action would prohibit land uses that would degrade habitat for native fish species, while Alternative A would avoid such restrictions on land-uses.

Willow Creek is reported as supporting a population of western pearlshell mussels (WPM). WPM is a long-lived, highly sensitive species with great conservation value. FWP

made no observations of an existing mussel population during field-work in 2007. A more comprehensive survey of fresh water mussels should be considered.

The gray wolf is classified by the U. S. Fish and Wildlife Service as an endangered species, and periodically occurs on the subject lands. Future recovery of wolves in this area will largely depend on prey populations (deer and elk) and conflicts with human activities. The proposed action would better protect habitat for prey populations of elk and mule deer than no action, and would lead to the lowest future increase in human settlement, development and potential conflicts with wolves.

Grizzly bears, a threatened species, have established a consistent use pattern in the project vicinity. Radio collar relocations of four individual Canada lynx, currently listed as Threatened under the Endangered Species Act, were recorded on the southern portion of the project area between 2000 and 2002. A bald eagle nest occurs on the property, and the subject lands provide excellent foraging habitat for this recently delisted species. In all cases, the proposed action would be expected to benefit threatened and endangered wildlife in the long run by maintaining native plant communities and preventing residential or other land developments. The proposed conservation easement would not introduce any land use or activity that would be detrimental to these species.

Sensitive Species

Wolverine, fisher, and flammulated owl are all listed as sensitive species by the U.S. Forest Service and the U.S. Bureau of Land Management and are not listed under the Endangered Species Act by the U.S. Fish and Wildlife Service. Brewer's sparrow is listed as sensitive under the U.S. Bureau of Land Management, and not ranked by the other agencies (MNHP 2007). The proposed action offers protection from habitat loss for sensitive and other native plant and animal species collectively, while the no-action alternative does not.

Big Game Species

Elk, moose, mule deer, white-tailed deer, black bear, and mountain lion occur on the project area seasonally. The proposed action would serve to maintain existing land uses and prevent changes in land use that would affect wildlife populations and current use patterns. Alternative A (no action) would leave an important portion of the habitat and local wildlife populations vulnerable to the management decisions of future private landowners who might not consider objectives that feature wildlife or the general public interest in wildlife. Changes in management direction, such as subdivision and sale of residential lots for development, would negatively impact native wildlife through direct removal of natural habitat on home sites, along roadways, and elsewhere within the daily use area of people and pets. Indirect effects include disturbance of wildlife across a wider area around homes due to an increase in human recreational activity. Wildlife species diversity would be expected to decline as species associated with human residential areas increase and species sensitive to disturbance are displaced.

Potential Value of the Land for Protection, Preservation and Propagation of Wildlife

The proposed action would serve to maintain future management options for protecting, preserving and propagating wildlife by preserving in perpetuity the natural habitat required at the landscape scale to support wildlife populations and communities, and by prohibiting competing land uses and developments that would diminish habitat quality. Alternative A (No Action) would allow the possibility of future land subdivisions, developments and substantial changes in land use and habitat quality that would severely limit and diminish options for protecting and managing wildlife populations for the public benefit.

Management Goals Proposed for the Land and Wildlife Populations, and Any Additional Uses of the Land Such as Livestock Grazing or Timber Harvest

Management goals and strategies for the proposed Sauerkraut-Willow Creeks Conservation Easement, including fish and wildlife populations, timber harvest, livestock grazing, and noxious weeds are detailed in the draft management plan (attached). In effect, the

management plan describes direction for enhancing the already demonstrated compatibility of the existing commercial ranch operation with the management of fish and wildlife habitat.

Potential Impacts to Adjacent Private Land Resulting from the Proposed Action

The proposed action could influence landowners bordering the conservation easement via long-term impacts on property values. Property values on lands bordering the conservation easement may increase because the easement lands will remain dominated by open space and effective as wildlife habitat. Otherwise, the general effects of this proposal, as felt by neighbors of the Sauerkraut-Willow Creeks Conservation Easement on a day-to-day basis, would be status quo. The no-action alternative would allow the possibility of dramatic changes in land use on the subject property in the future, which could change the character of the local community.

Potential Social and Economic Impacts to Affected Local Governments and the State

A draft socio-economic assessment is attached. To summarize, the proposed action would leave the land in private ownership, and in continuing agricultural use, with no change in its status on the county tax rolls. Over the long run, Alternative A (no action) would allow greater potential residential and commercial growth in this rural area. This possible future growth would be accompanied by higher demand for utilities, roads, schools and other services that would have to be partially or wholly provided by state and local governments. As developments achieved their potential growth limits under Alternative A, the recreational and economic benefits generated by the existence of abundant and diverse fish, wildlife and natural landscapes in the local area would be diminished. Conversely, the proposed action would restrict future residential and commercial developments on the subject lands, in a location that would allow fish and wildlife to continue to flourish, and in a rural setting where fish and wildlife populations may be managed effectively.

Land Maintenance Program to Control Weeds and Maintain Roads and Fences

Under the proposed action, the land would remain in private ownership. The control of noxious weeds and the maintenance of roads and fences would remain as responsibilities of the

landowner, and would not be shared by FWP (other than indirectly via FWP's partnership in the local weed management group). However, a draft management plan is attached that addresses land management issues that would be controlled by the proposed conservation easement, as well as other management issues of mutual interest between the landowner, Five Valleys Land Trust, and FWP (including the management of noxious weeds).

Air and Water Quality

The proposed action would likely result in a net reduction in potential future risks to air and water quality on the subject lands, compared to no action. Possibilities for residential, commercial, and industrial developments would be reduced and restricted across the subject land. Such developments, which would remain a possibility under the no-action alternative, would have the potential for affecting air and water quality in numerous ways. For example, increased roading and traffic on roads to service housing or commercial developments could increase runoff from road surfaces into Sauerkraut and Willow Creeks or other tributaries. The proposed action would avoid the possibility of increased cattle use in and beside the creeks and riparian zones, which would not be controlled under the no-action alternative. Effects of timber harvests allowed in the proposed easement would not differ from the current situation, but would prevent increased sedimentation that might occur as a result of timber harvests under the direction of future landowners if no action is taken.

Wetlands and Riparian Habitats

Under the proposed action, wetlands and riparian habitat would be included among the conservation values of the land to be protected. Thus, the current condition of the wetlands and riparian zones would be documented in photographs and serve as a baseline for comparison in the future. Implementation of grazing management opportunities (either instituted as part of ongoing restoration activities or identified by a future grazing management plan), will serve to improve stream bank and riparian vegetation conditions in the long run. The no-action alternative offers no protection for riparian areas across the entire acreage proposed for conservation easement.

Livestock grazing

The proposed conservation easement would allow and anticipate continued livestock grazing. The agreed upon goals and intent of the conservation easements would lead to the improvement of wildlife habitat and the livestock operation in the long run. If the conditions of the subject property don't support natural regrowth of vegetation required for bull trout and westslope cutthroat trout recovery and persistence, a grazing management plan would be developed in consultation with FVLT and FWP to ensure the intent of the NFHCP is met. Livestock grazing would be unrestricted under the no-action alternative.

Historic and Cultural Resources

According to the State Historic Preservation office, there are 17 records of archaeological or historical features occurring on the subject property. All sites on the subject property are classified as historic mining sites, and all are more than a decade old. In addition, 35 state historic inventories have been conducted on the property from 1976-2003 (State Historic Preservation Office 2007). The proposed action would not cause a change in land use, so would not affect cultural sites. Potential developments allowable under the no-action alternative would leave cultural resources at risk.

Public Access

Neither the proposed action nor Alternative A would affect the existing policy toward public access on lands owned by Sunny Slope Grazing Association within the Sunny Slope Block Management Area. Public vehicular access would continue to be provided through the easement area along Willow Creek on the Dalton Mountain Road and Herrin Lake Road. Access pursuant to the Montana Stream Access Law would continue along the Blackfoot River and the creeks.

Cumulative Impacts

Alternative A (no action) could ultimately contribute to the cumulative regional and local

loss of fish and wildlife habitat and public access if the subject lands are eventually managed in a manner incompatible with these values. Further, no-action could ultimately contribute slightly to the cumulative regional and local loss of grazing land for the livestock industry, and an increasing cumulative demand for services provided by local county and state governments to new residences. The proposed action would be expected to contribute to a positive cumulative effect on native fish in the Blackfoot Watershed.

In addition, adoption of Alternative A (no action) would jeopardize the 88,000-acre Blackfoot Community Project. The success of the BCP depends in large measure on HCP funding as a strategy to transfer former PCTC lands from The Nature Conservancy to Blackfoot owners. In addition, MFWP stands to gain interests of between 20,000 and 25,000 acres as the disposition of land is now planned. Failure of the BCP would also have impacts on public hunting and fishing access in the Blackfoot Valley. Eighty three thousand of the 98,000 acres (or 84 percent) of BCP and HCP funded project lands would provide permanent public access either through transfer to public ownership or secured through conservation easement transactions. The majority of the remaining BCP and HCP funded project lands would continue to be enrolled in the FWP Block Management Program.

PUBLIC INVOLVEMENT

Formal public review of the draft environmental assessment (EA) for the proposed Sauerkraut-Willow Creeks Conservation Easement, including a draft socio-economic assessment and management plan, will begin with the availability of these documents on November 19, 2007 and will close on December 18, 2007. The availability of this EA for public review will be advertised in the local, Missoula-area, and statewide media, and a copy of the draft EA will be mailed to all parties who indicate an interest in this proposal. A public hearing will be held at Lambkins Restaurant in Lincoln, Montana, on December 3, 2007 at 7:00 P.M. After reviewing public input received on or before December 18, FWP will decide upon a preferred alternative. The Fish, Wildlife and Parks Commission will be asked to render a final decision on this proposal at its regularly scheduled meeting on January 17, 2008. The State Board of Land Commissioners will be asked to approve the proposal at its first monthly meeting following an

approval by the Fish, Wildlife & Parks Commission.

Comments should be addressed to Ron Pierce; Montana Fish, Wildlife & Parks; 3201 Spurgin Road; Missoula, MT 59804 (phone 406-542-5532; email *rpierce@mt.gov*). Comments must be postmarked no later than December 18 to ensure their consideration in the decision-making process.

AGENCIES, GROUPS OR OTHERS CONSULTED IN PREPARATION OF THE EA

Montana Fish, Wildlife & Parks

Darlene Edge, Land Agent, Helena

Rebecca Jakes-Dockter, Legal Counsel, Helena

Robert Lane, Chief Legal Counsel, Helena

Chris Hunter, Fisheries Division Administrator, Helena

Pat Saffel, Region 2 Fisheries Manager, Missoula

Steve Knapp, Habitat Bureau Chief, Wildlife Division, Helena

Ken McDonald, Wildlife Division Administrator, Helena

Mack Long, Regional Supervisor, Missoula

Adam Brooks, Federal Aid Coordinator, Helena

Rob Brooks, Economist, Helena

Sunny Slope Grazing Association

Susan and Gerald Biresch

Five Valleys Land Trust

Jim Berkey, Missoula

Cedar Brant, Missoula

Amy Chadwick, Missoula

The Nature Conservancy

Caroline Byrd, Missoula

Lisa Bay, Helena
Blackfoot Challenge
Hank Goetz, Lands Director, Ovando
Alan McNeal, Grazing Specialist, Helena

PERSONS RESPONSIBLE FOR PREPARING THE EA

Montana Fish, Wildlife & Parks, Region 2
Ron Pierce, Fisheries Biologist, Missoula
Jay Kolbe, Wildlife Biologist, Seeley Lake
Mike Thompson, Regional Wildlife Manager, Missoula

NEED FOR AN ENVIRONMENTAL IMPACT STATEMENT

Based on an evaluation of impacts to the physical and human environment, under MEPA, the proposed action is not a significant action affecting the human environment; therefore, an environmental impact statement is not a necessary level of review.